Import of Scientific Instruments

1052. SHRI *SHANKER* SINH VAGHELA:

SHRI KAILASH PATI MISHRA:

Will the Minister of COMMERCE he pleased to state:

(u) whether the import of certain type^ of scientific instruments which are not manufactured in India is allowed to Government research and educational i tions without payment of customs duty; if so, what are the incentives given for developing the same indigenously;

(b) whether 'customs duly free' import of components is allowed to the indij manufactures; if not, what are the reasons therefor;

(c) whether it is a fact that the rate of customs duty is higher on imported raw materials and components than the duty leviable on finished produci scientific instruments; and

(d) if so, what are the reasons therefor?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) yes, Sir, Only Government research and educational institutions are permitted to import instruments without payment of duty. The policy for the import of instruments by others is highly restrictive and *es* suchi the indigenous industry is adequately protected.

(b) Import of capital goods, connected raw materials and components are eligible for concessional assessment of duty under 'Project Imports'.

(c) and (d) All raw materials and components do not carry a higher rate than finished scientific instruments. Parts of some scientific instruments are charged[1] at same rate of duty applicable to the main instruments. Tariff is fixed taking; into account the interest of indigenous industry apart from other releated factors.

[1053 *(Withdrawn)*

, Substitution of Mullberry silk yarn for imported raw silk

1054. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether for the purposes of Advance Licences under Appendix 19 and of the Import and Export Pass Book under Ap- idiJi 25 covering duty free imports of raw siik, domestically produced mulberry silk yarns is allowed to be substituted for the imported raw silk;

if so, what are the reasons therefor; and

(c) the manner in which surplus import duty exempted raw silk is used or rold-om-side the books of accounts?

THE MINISTER OF STATE 01 MINISTRY OF TEXTILES (SHRI KHUR-ALAM KHAN); (a) Under the Duty Exemption Scheme as contained in Appendix 19 exporls|supp!ies made from the date of receipt of application is accepted towards discharge of export oali-gation. if such exports are accepted, the Advance Licence Holder who has used indigenously availbate raw-materials is allowed replenishment of the materials Used for the production of the export pro-duel already exported, before (he issue of The Advance Licence.

However, such facilities have no$_t$ so far n provided under the Import-Export Pass-Book Scheme under Appendix—25.

(b) Since indigenously available raw-materials have been utilised in the manufacture of <.- >ducts before the issue of Advance Licence, the extent of raw-material used in ihe Export Product nas to be replenished.

(c) In eases where the export obligation Ha, been partially or fully met before the receipt of the Advance Licence, the Advance Licencing Committee may consider transfer, at landed cost of the exempt materials imported subsequently on this licence as replenishment to the supporting manufacturer whose nitme appears in the DEEC for further production subject to Actual User Condition.

I The raw-material i$_s$ not allowed to be

used or transferred otherwise than provided under the scheme.

Kerala Government's investment in Treasury Bills

1055. SHRI THOMAS KUTHIRAVATTOM; Will the Minister of FINANCE be pleased to state:

(a) what is Kerala Government's Surplus including investment in Treasury Bills as on 31st March, 1986; and

(b) how does this compare with the assessment made at the time of finalising the State's Annual Plan for the current year 1986-87?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The final figure of closing balance of 1985-86 which is comparable with the corresponding figures assessed at the time of finalising the State's annual Plan 1986-87 has not become available. This will be furnished as soon as it becomes available.

Appointments of Auditors in Government Undertakings

1056. SHRI PARVATHANENI UPENDRA; Will the Minister of FINANCE be pleased to state;

(a) what are the criteria prescribed for appointmem of Auditors for Government Undertakings;

(b) whether it is a fact that audit is conducted by Chartered Accountants who do not have even five years experience and the established firms are overlooked; and

(c) whether Government will ensure tint fhe audit work of Government Undertakings is allotted to only well established and experienced Chartered Accountants?

THE MINISTER OF STATE TN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) No criteria have been prescribed by the Government of Indiq for 'appointment of auditors of Government Undertakings. Section 619 (2) of *1h"*-Comnnnv's Act provides that the auditor of a Government Company will be appointed by the Central Government on the advice of the CAG of India. In recommending auditors for Government Undertakings, the following broad guidelines are laid down by the CAG:

(i) the location of the company;

(ii) the nature and the complexities of the company to be audited;

(iii) the location of the Chartered Accountant's firm;

(iv) the fee for the audit;

(v) the organisational strength of the firm of Chartered Accountants!; and

(vi) their record of work and experience.

(b) and (c) Audit is entrusted either to partnership firms in which atleast one partner has more than five years experience or to a sole propritary firm in which the proprietor has more than five years experience. Thus, audit is entrusted to only established and experienced Chartered Accountants.

Vountary Income Tax Disclosure scheme

1057. PROF. C. LAKSHMANNA; Will the Minister of FINANCE be pleased to state:

(a) what has been the response to the recent Voluntary Income-tax Disclosure Scheme;

(h) whether the response to the Scheme: was very encouraging due to certain controversies and confusions in intcrnrefations of the provisions of th" Scheme; and

(c) whether Government have made an inquiry into this matter; if so, what are the factors for poor response to the Scheme?

THE MTNTSTFR OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The response to the amnesty Circulars issued by the Govt. for Voluntary Disclosure of Income has been very encouraging.

(b) No, Sir.

(c) In view of the reply to part (a) above, the Government did not think it necessary to make any enquiry in the matter.